



Investor presentation

KWS SAAT SE & Co. KGaA | October 2021

SEEDING
THE FUTURE
SINCE 1856



Our long-term goals



Profitable growth

Long-term strategy based on organic growth combined with acquisitions



Innovation

Significant investment in research and breeding



Independence

Since generations supported by family shareholders



Sustainability

Long-term economic success and sustainable development

Seed specialist



KWS ranks among the world's leading companies for plant breeding



NET SALES*
in million €

1,310

COUNTRIES

>70

EMPLOYEES*

6,000

INNOVATION*
in % of net sales

19.3

YIELD PROGRESS
crops Ø p.a. in %

1-2

*Financial year 2020/2021

Ranking

by sales with agricultural crops

Global

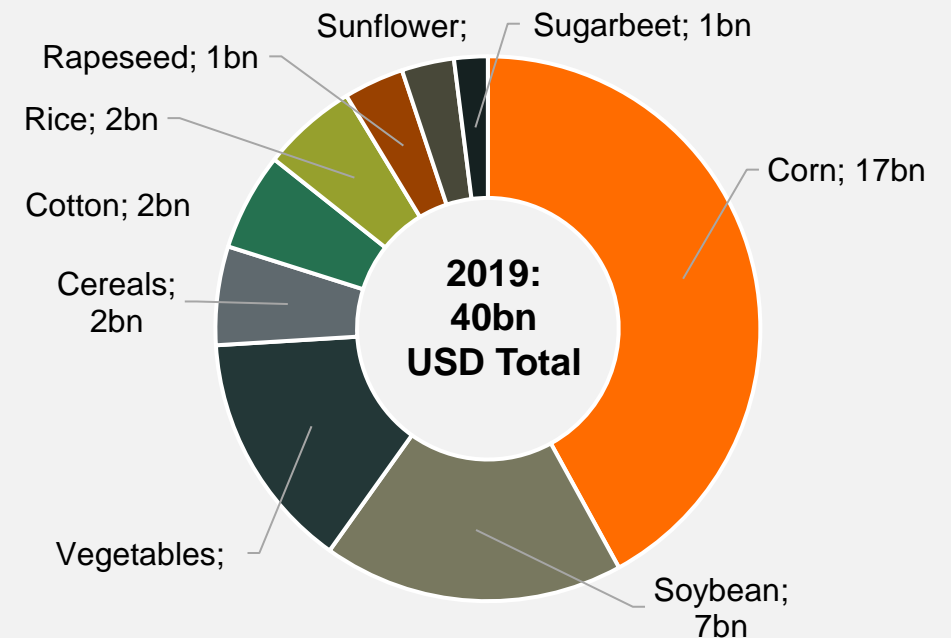
1. Bayer
2. Corteva
3. Syngenta Group
4. Vilmorin
- 5 KWS**

Europe

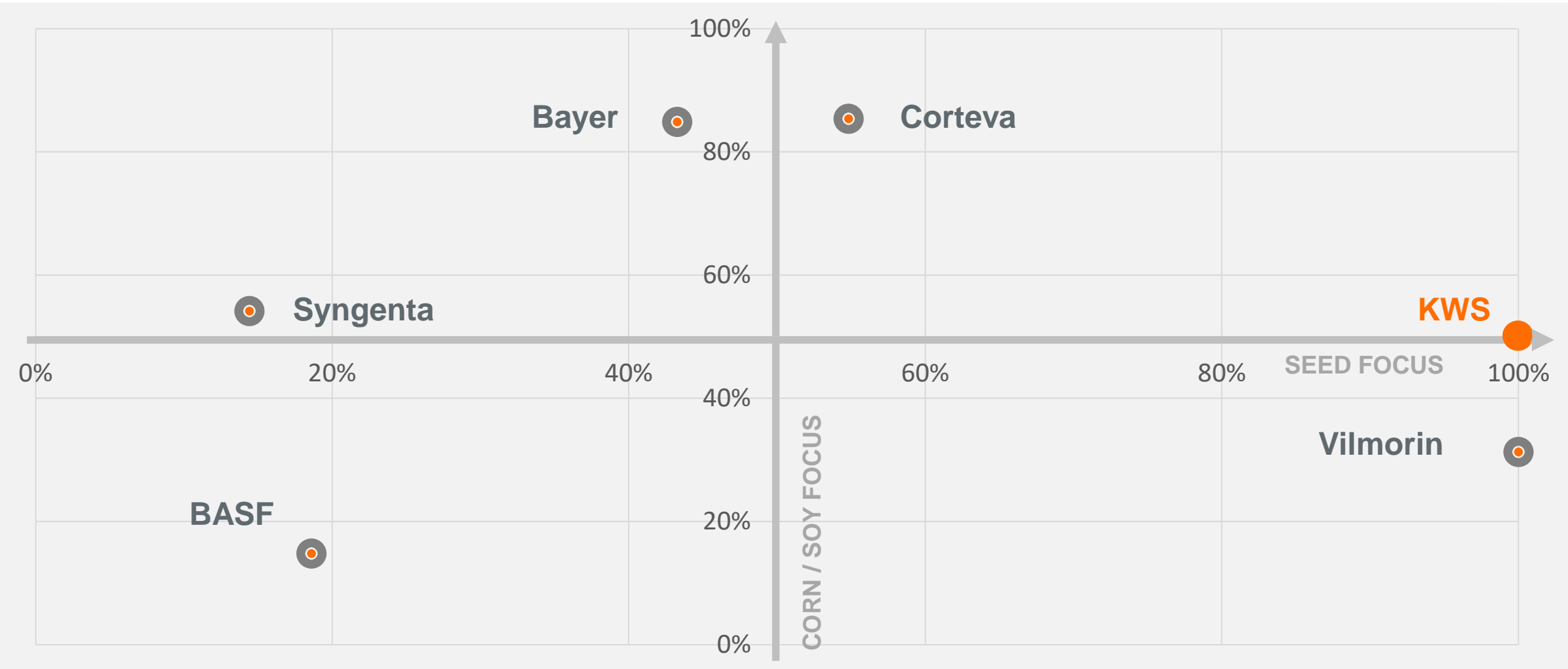
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Sources: Agbiolnvestor 2020 and KWS estimates.

Global Commercial Seed Market (in USD)

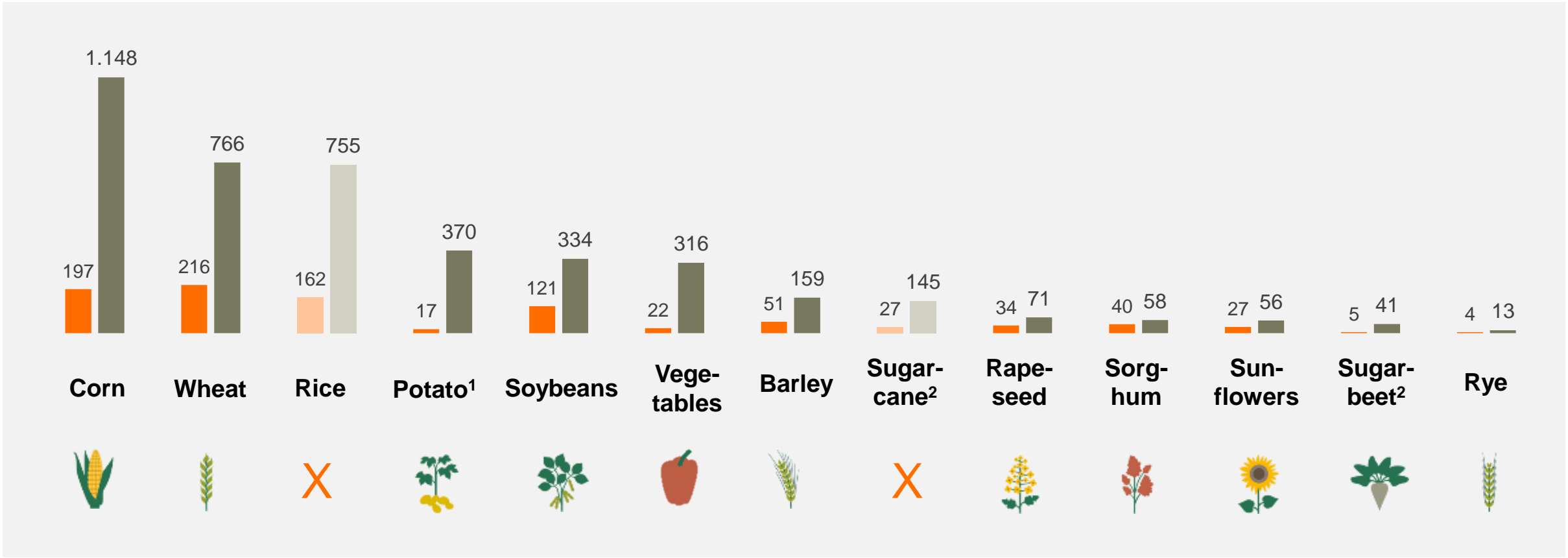


Strategic market position



Source: AgbioInvestor 2020 and KWS estimates (% corn/soy sales of field and vegetables seed sales; % seed sales of total ag sales)

Our portfolio includes seeds for 11 of the 13 most important crops/crop groups



■ Global acreage (in ha million) ■ Global production (in t million) X Minor strategic potential for KWS

Source: faostat.fao.org (Data for 2019), zuckerverbaende.de; ¹ No commercial business for KWS, but target of strategic research and development.

² Sugarcane and Sugarbeet production numbers represent sugar extracted from these crops and not the crop produced.

Corn segment



NET SALES*
in € million

774

EBITDA*
in € million

106

EBIT*
in € million

71



Corn



Soybeans

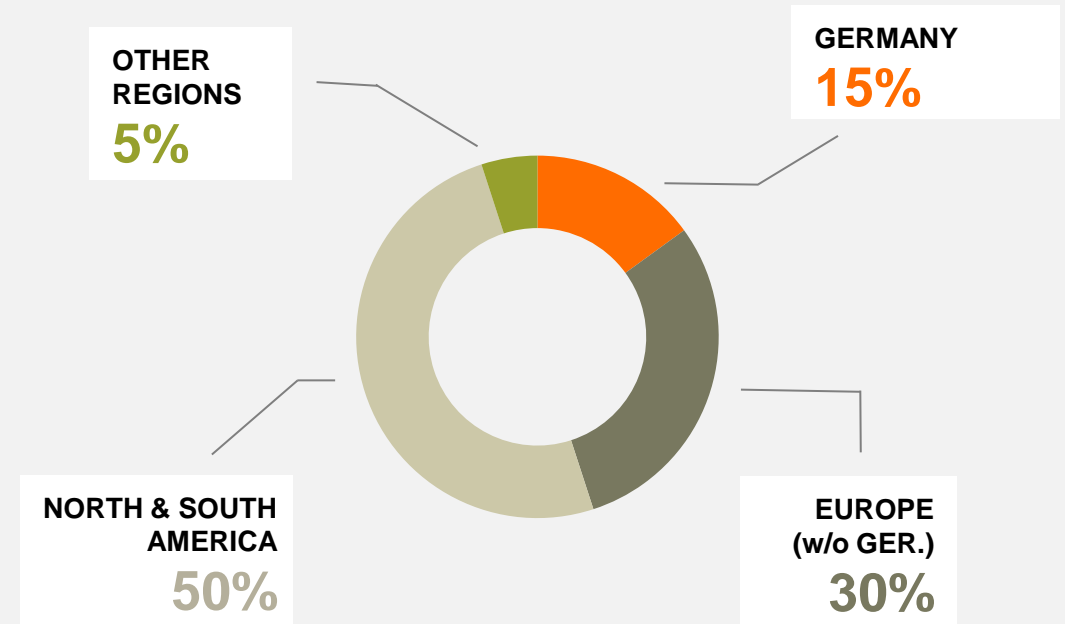


Sunflower

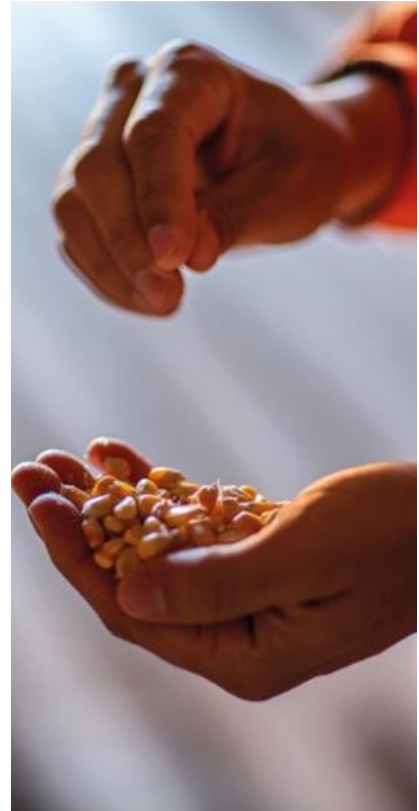
Overview

- Presence in main markets: United States, China, Brazil and EU-27; market leader in silage corn
- Aim to become global player, increase market shares in all main markets
- Growth driver: commercialization of new competitive varieties in Europe and Brazil, growth in China
- Seasonality: mainly Q3

Sales by region*



*Financial year 2020/2021



Sugarbeet Segment



NET SALES*
in € million

524

EBITDA*
in € million

193

EBIT*
in € million

175



Sugarbeet



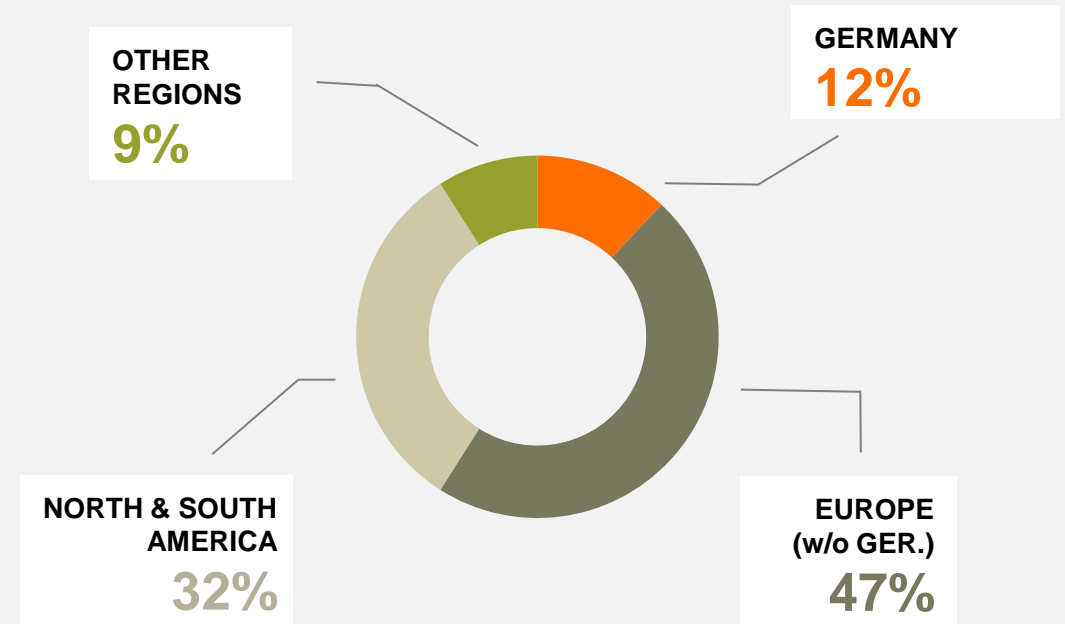
Feedbeet



Overview

- Leading position globally with >60% market share
- Growth driver: innovative product portfolio & pipeline, addressing needs of sugarbeet growers
- Example: CONVISO® SMART, a conventionally bred sugarbeet for highly effective weed management
- Seasonality: mainly Q3

Sales by region*



*Financial year 2020/2021

Cereals Segment



NET SALES*
in € million

191

EBITDA*
in € million

31

EBIT*
in € million

21



Rye



Rape Seed



Wheat



Barley



Sorghum

...



Overview

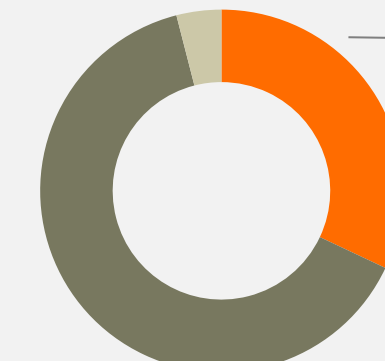
- Broad portfolio of cereal crops
- #1 in hybrid rye, leading position in rape seed
- Strong R&D pipeline including hybrid wheat
- Growth driver: hybrid rye, regional expansion
- Seasonality: mainly H1

Sales by region*

NORTH & SOUTH
AMERICA
4%

EUROPE
(w/o GER.)
64%

GERMANY
32%



*Financial year 2020/2021

Vegetables Segment



NET SALES*
in € million

58

EBITDA¹
in € million

10

EBIT¹
in € million

8



Spinach



Beans



Swiss
Chard



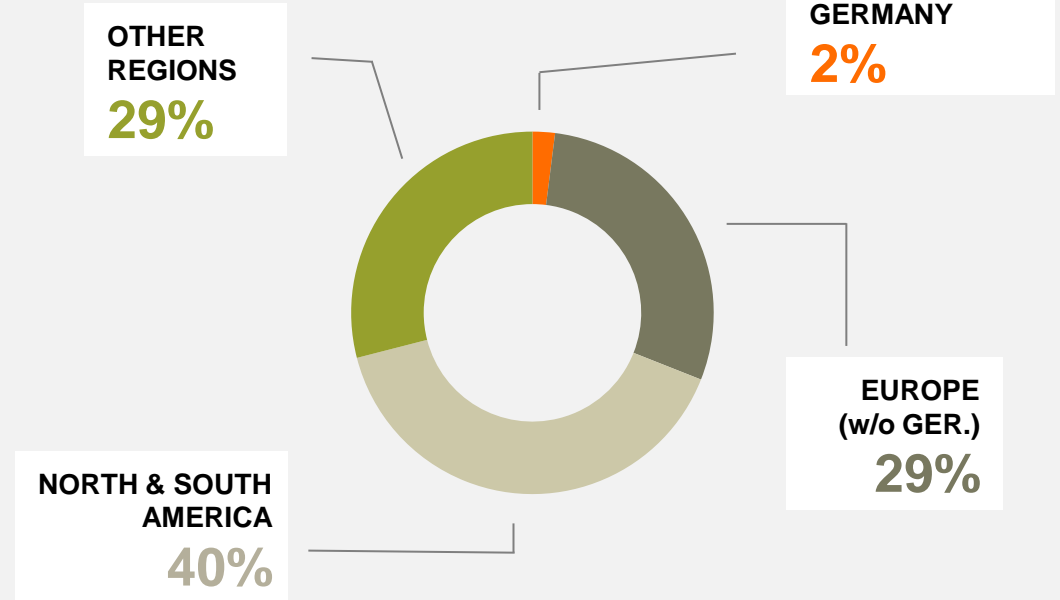
Tomato



Overview

- #1 in spinach seeds
- Long-term aspiration: 5% market share of global vegetable seed market
- Initiation of international breeding programs
- Focus on main vegetable crops: tomato, melon, watermelon, cucumber, pepper
- Seasonality: none

Sales by region*



*Financial year 2020/2021



Financials

FY 2020/2021

Significant increase in Net income / Earnings per share



In € million	2020/2021	2019/2020	+/-
Net sales	1,310.2	1,282.6	2,2%
EBITDA	230.9	225.5	2,4%
EBIT	137.0	137.4	-0,3%
Financial result	5.5	-7.8	-
Result of ordinary activities	142.2	129.5	9,8%
Taxes	31.6	34.3	-7,9%
Net income	110.6	95.2	16,2%
Earnings per share (in €)	3.35	2.89	15,9%

EBIT MARGIN (excl. ppa-effects)
EBIT as a % of net sales

12.5% (13.3%)

COST OF SALES
as a % of net sales

43.6% (42.9%)

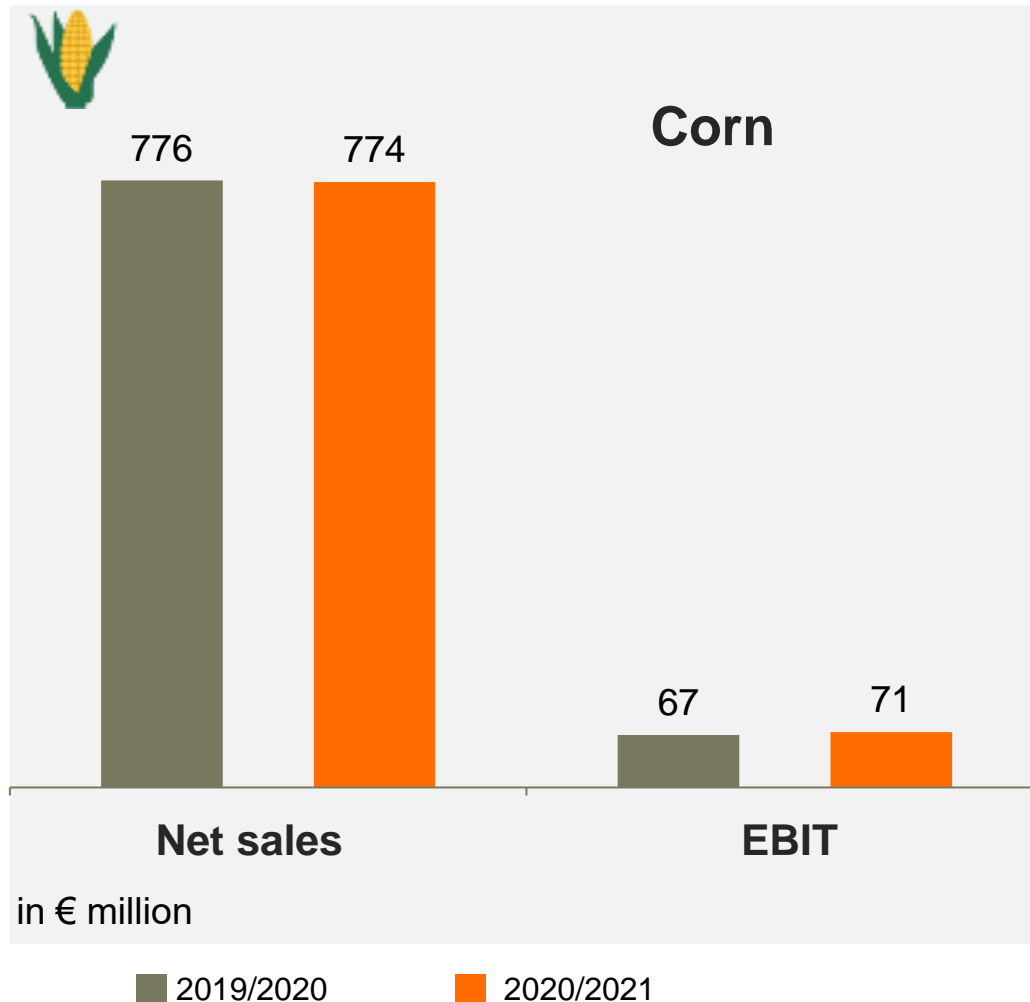
R&D INTENSITY
as a % of net sales

19.3% (18.4%)

Tax rate
in %

22.2% (26.5%)

Previous year's figures in brackets

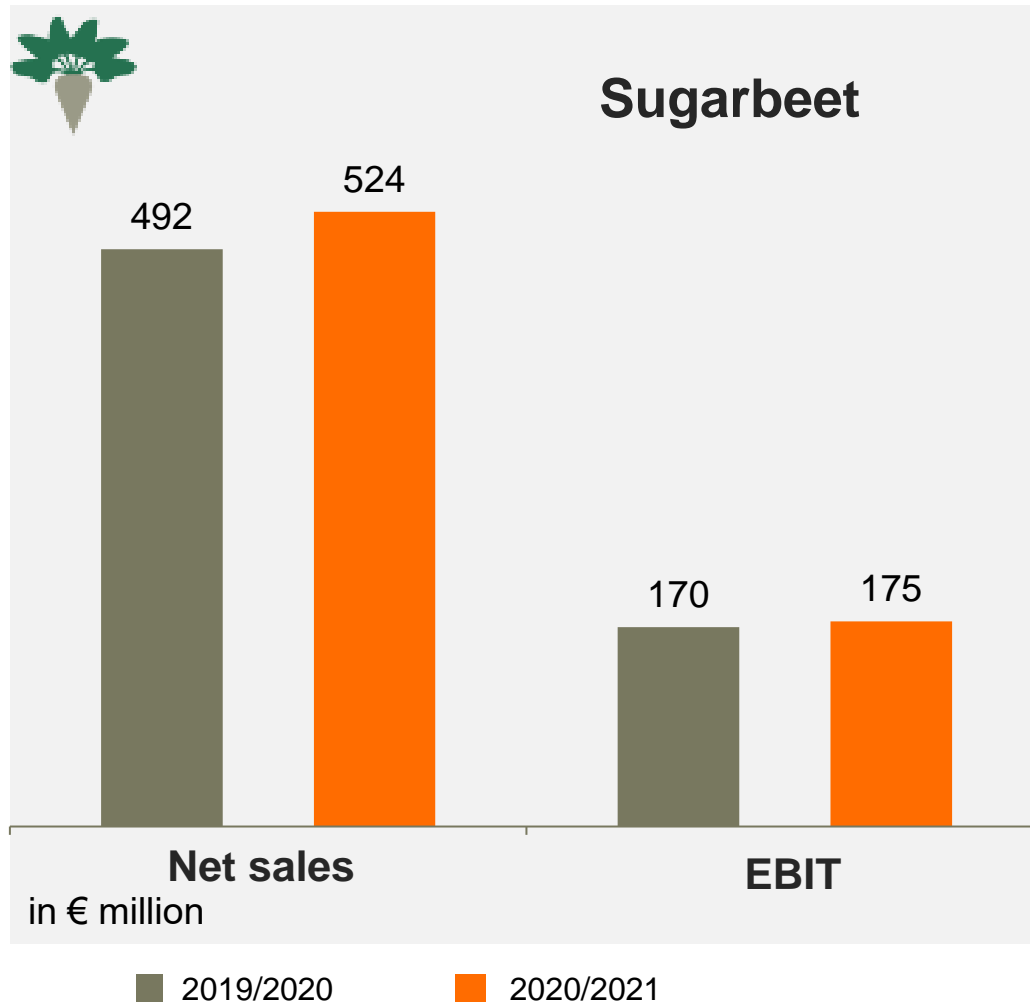


FY 2020/2021

- FX adj. sales growth (+8.3%) driven by European markets and South America
- Excellent performance of new grain corn varieties in Southern & Eastern Europe
- Strong volume increase in Brazil due to higher acreage and market share
- U.S. Joint Venture sales (AgReliant) slightly below previous year's level
- Segment EBIT increased by 6% to € 71m (67m)
- EBIT margin improved to 9.2% (8.6%)

Outlook 2021/2022

- Significant sales increase / EBIT margin at previous year's level

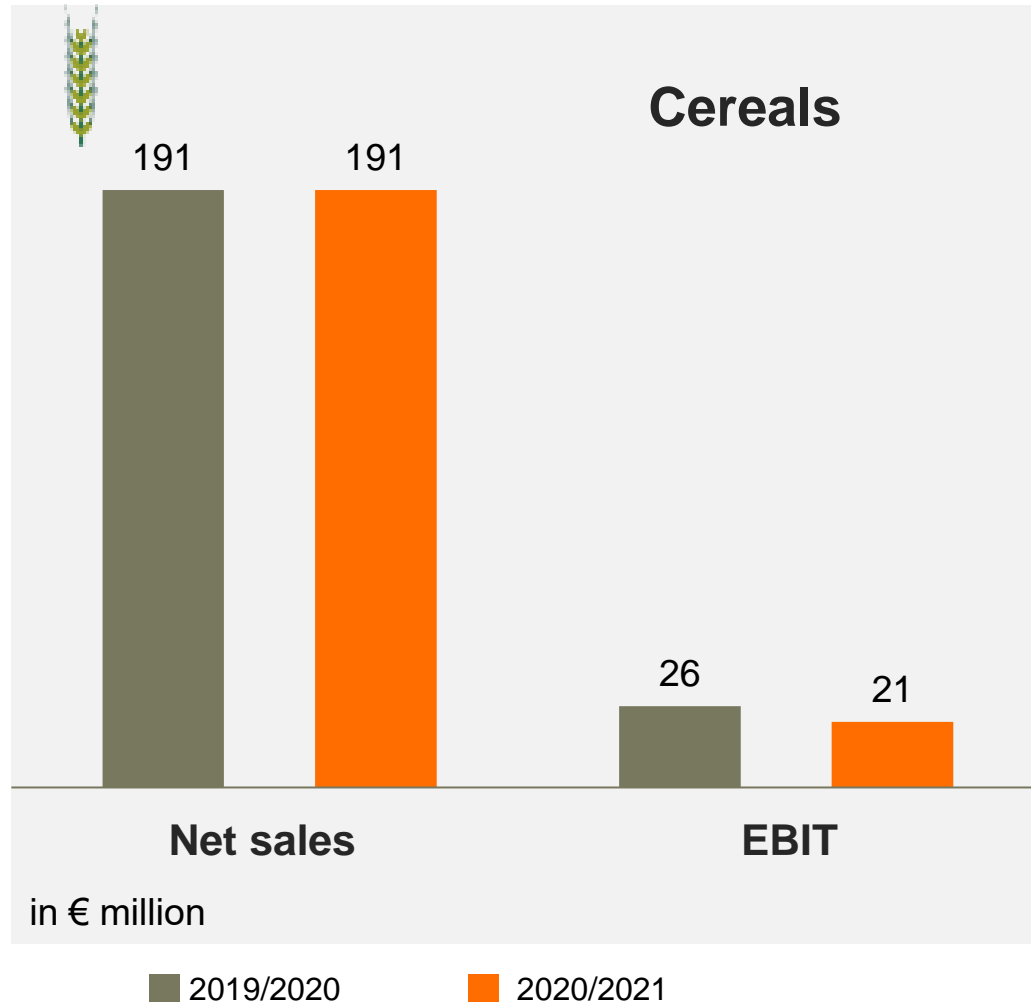


FY 2020/2021

- Segment sales increased by 6.6% (FX adj.: +13.0%)
- High demand for CONVISO® SMART and initial sales for newly launched varieties with Cercospora tolerance (CR+)
- Segment EBIT increased to € 175m (170m) – despite negative FX impact and higher prime costs in seed multiplication due to weather conditions
- Strong profitability of >30% EBIT margin maintained

Outlook 2021/2022

- Sales and EBIT margin at previous year's level

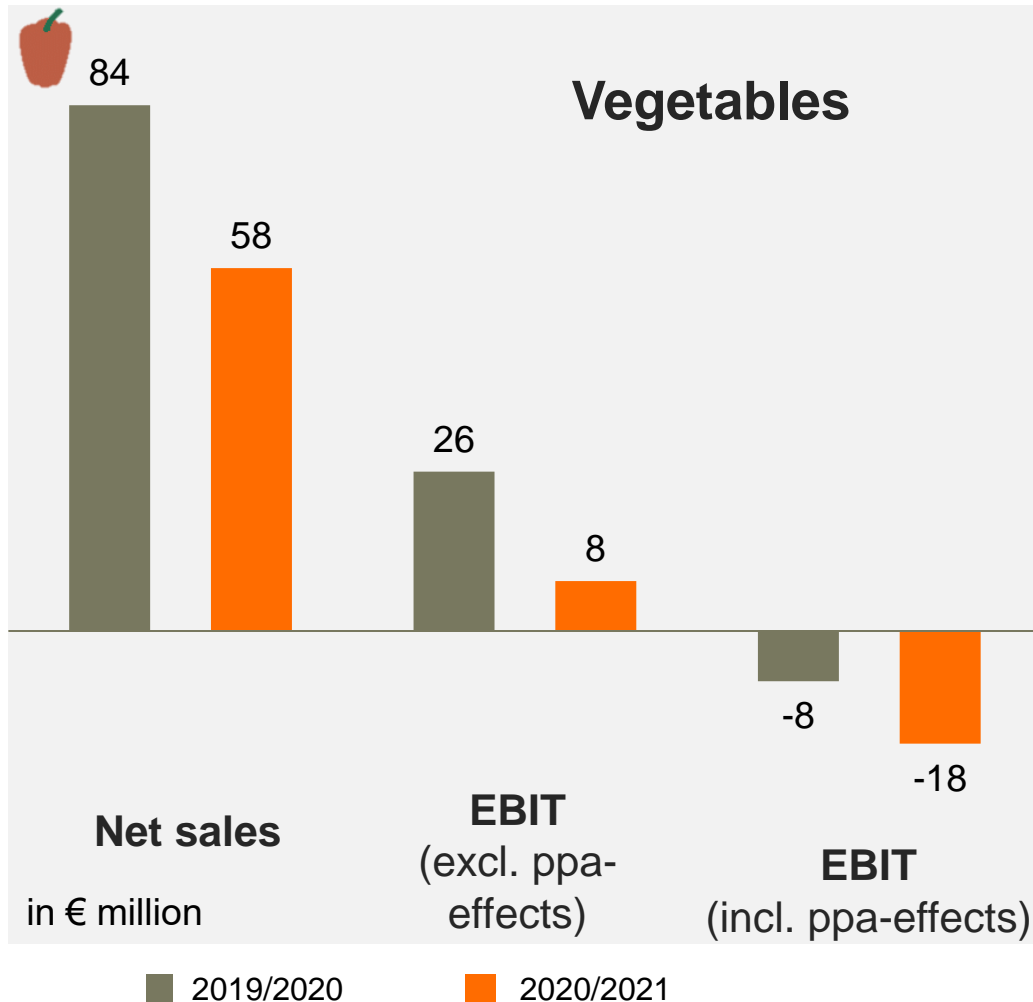


FY 2020/2021

- FX adjusted growth (+3.3%) driven by rapeseed and wheat
- Sales for main crop hybrid rye stable (FX adj.)
- Segment EBIT below previous year due to higher expenses in R&D and marketing & selling for growth initiatives

Outlook 2021/2022

- Slight increase in sales and EBIT margin



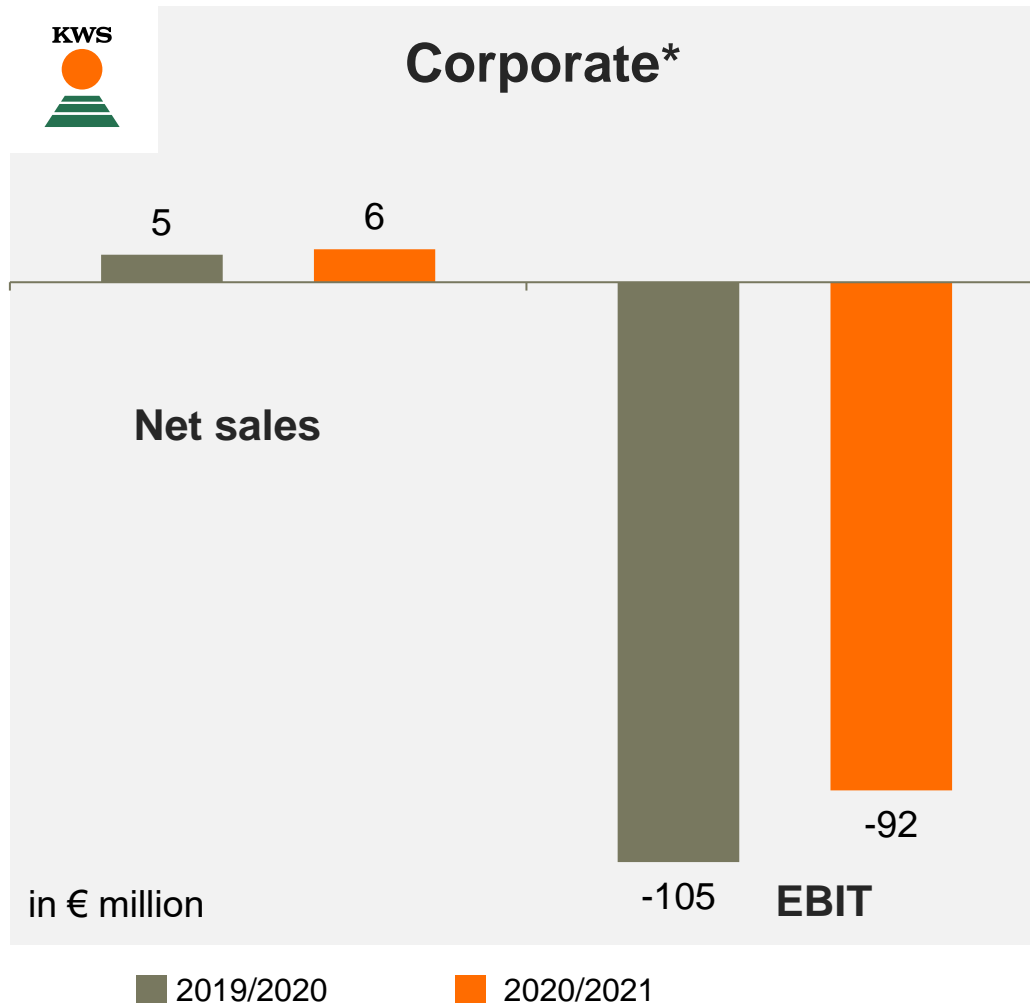
FY 2020/2021

- Strong decline in sales due to Covid-19-pandemic (reduced demand for fresh spinach in main food service market U.S.)
- Sales in bean seeds up by 13%
- EBIT significantly reduced due to sales decline and
- ppa-effects include non-cash items of:
 - € –4.1m from sale of inventories (at fair value)
 - € –21.9m amortization of intangible assets

Outlook 2021/2022

- Significant business recovery; significant increase in sales and profitability

Segment development – Corporate*



FY 2020/2021

- Improvement due to positive FX effects from financial instruments and pandemic-related cost savings

Outlook 2021/2022

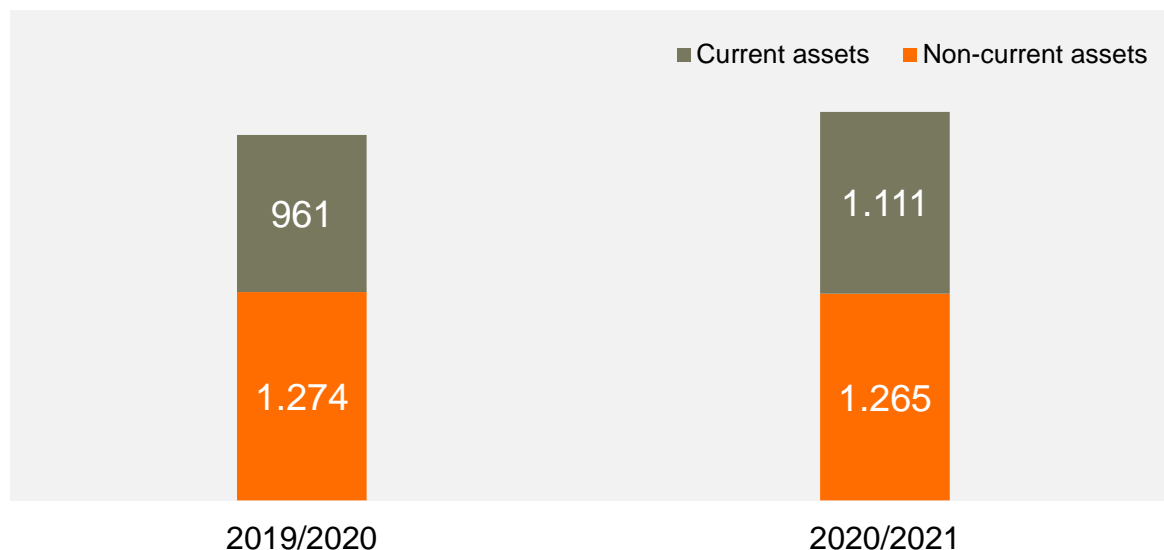
- About € –100m

*Segment includes cross-segment costs for the KWS Group's central functions and basic research expenditure; EBIT typically negative

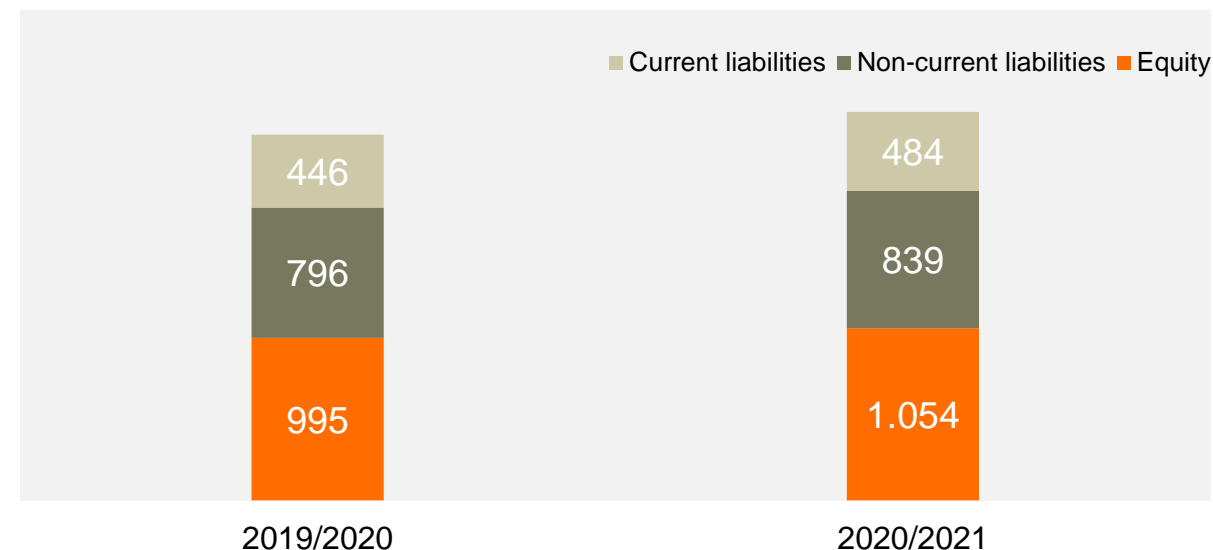
Balance sheet as of June 30, 2021



Balance sheet structure – Assets in € million



Balance sheet structure – Equity and liabilities in € million



TOTAL ASSETS

in € million

2,377 (2,235)

EQUITY RATIO

as a % of total assets

44.3% (44.5%)

NET DEBT

in € million

475.6 (495.5)

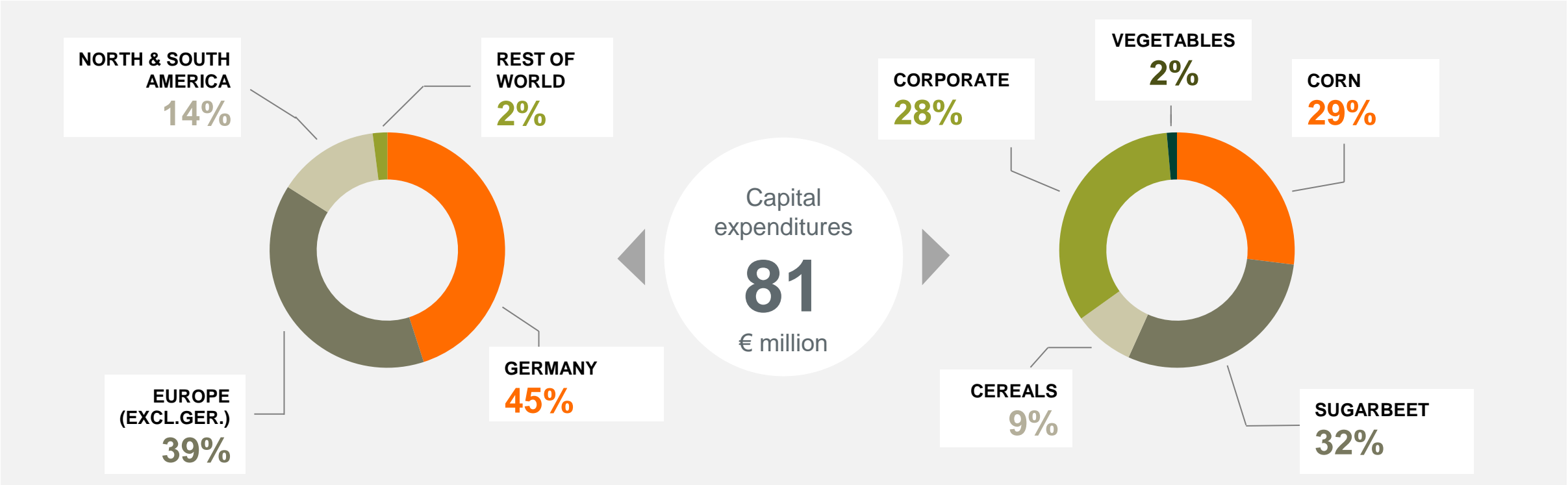
Average ROCE

in %

8.5% (8.4%)

Previous year's figures in brackets

Overview capital expenditures



Investment focus: Germany

Forecast for the KWS Group for fiscal 2021/2022



	Forecast 2021/2022	Actual 2020/2021
Net sales growth	5 – 7%	€1,310 million
EBIT margin*	11 – 12%	12.5%
R&D ratio	18 – 20%	19.3%

*w/o ppa effects from company acquisitions





Seeding the future

Challenges and solutions for
modern agriculture

For efficient agriculture it is crucial to meet the challenges of high-yield agricultural harvests



Population growth: Food demand is expected to rise by 60% through 2050



Reduction of per capita cultivation area: The population is growing faster than the acreage



Climate change: Change in abiotic stress requires new variety characteristics



Harvest losses: Approx. 50% due to insects, weeds, fungal diseases and damage in storage



Limited resources: water, fertilizers and pesticides

We develop high yielding and resource-efficient varieties for a sustainable agriculture



Safe yields

Securing yield stability and developing higher yields for a sustainable supply



Resource efficiency

Reducing consumption of water, fertilizer, chemical plant protection



Increased nutrient content

Optimization of energy and nutrient content for more efficient use of acreage



Diversification

Securing sustainability through broadly diversified breeding material

Green Deal – Farm to Fork targets of EU Commission



EU GREEN DEAL TARGETS



Reduce by 50% the overall use and risk of **chemical pesticides** and reduce use by 50% of more hazardous **pesticides** by 2030



Achieve at least 25% of the EU's agricultural land under **organic farming** and a significant increase in **organic aquaculture** by 2030



Reduce sales of **antimicrobials** for farmed animals and in aquaculture by 50% by 2030



Reduce **nutrient losses** by at least 50% while ensuring no deterioration in soil fertility; this will reduce use of **fertilisers** by at least 20 % by 2030



Bring back at least 10% of agricultural area **under high-diversity landscape features** by 2030

Product Impact



Safeguard food production

- 1.5 % annual yield gain for farmers through progress in plant breeding and
- Digital farming solutions on >6 million hectares



Minimize input required

- Invest >30 % p.a. of R&D budget into reduction of inputs
- >25% of KWS varieties are suitable for low input



Enhance crop diversity

- Increase number of crops with dedicated breeding programs from 24 to 27



Support sustainable diets

- >40 % of KWS varieties are suitable for predominantly direct use in human nutrition

Corporate Responsibility



Improve operational footprint

- Reduce scope 1 & 2 emissions by 50 % until 2030 and to net-zero by 2050
- Establish score cards



Foster social engagement

- Min. 1 % EBIT p.a. into social projects
- Improve employee engagement
- Declining trend of accidents/illnesses index

Examples for KWS' contribution for more sustainability in agriculture



Organic seeds

- **Variety and performance testing** for the early selection of efficient organic varieties and plant material from conventional breeding programs
- Seeds of high performance and quality **optimized for organic farming**



Biologicals

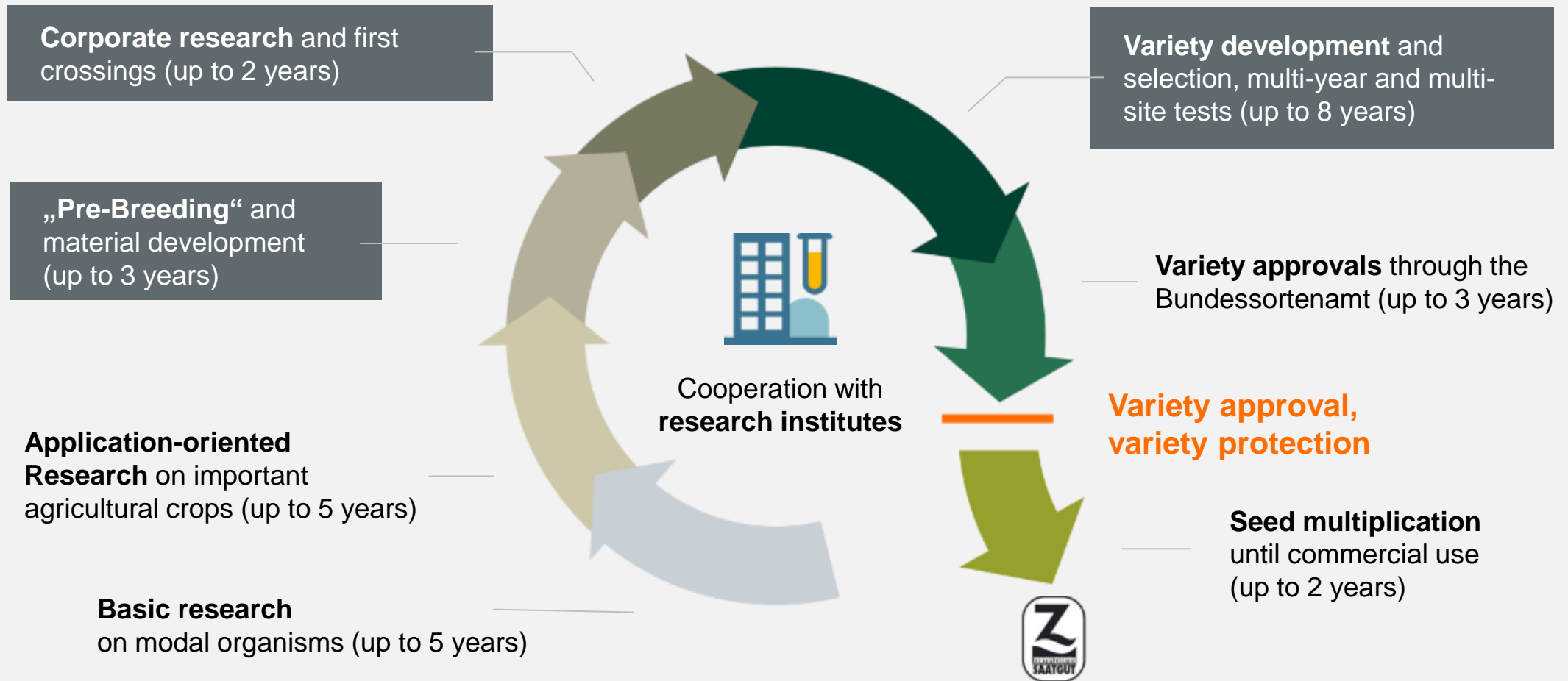
- Biologicals can help to **reduce chemical** crop protection
- **Useful microorganisms** protect yield against pests, abiotic stress (cold, drought, etc.)
- Biologicals can be applied as treatment **directly to the seed**. Very efficient in protecting the seedling right at the beginning of the development



Hybridrye

- Used as feed **increases animal health** as a feed
- Good **resistance to dryness**
- **Less nitrogen, water and crop protection** compared to wheat
- **Smallest carbon footprint** of cereals in Germany (greenhouse gas emissions for cultivation)

Developing a new variety is a complex process and takes 8 to 12 years



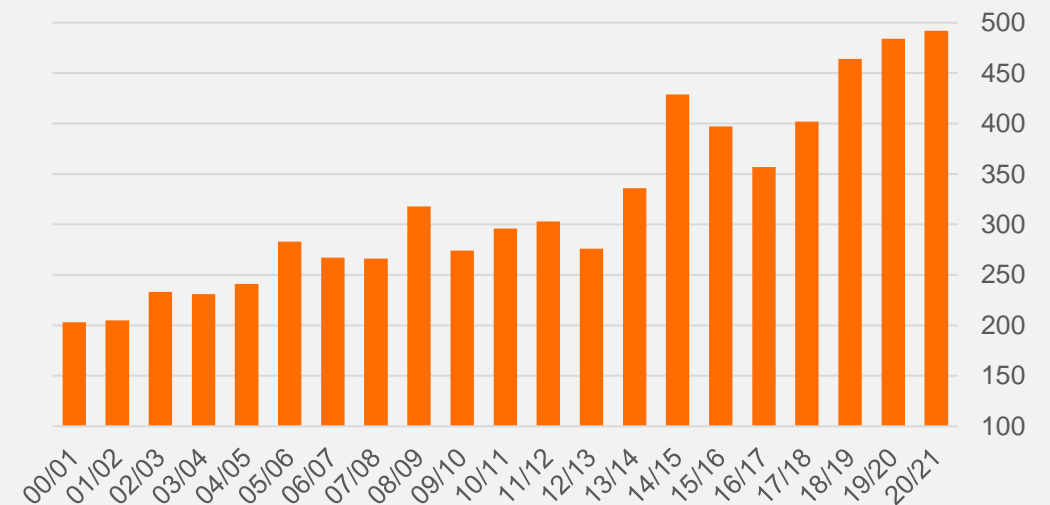
Source: BDP, changed

Diverse portfolio of strong varieties



■ 492 variety approvals
in FY 2020/2021

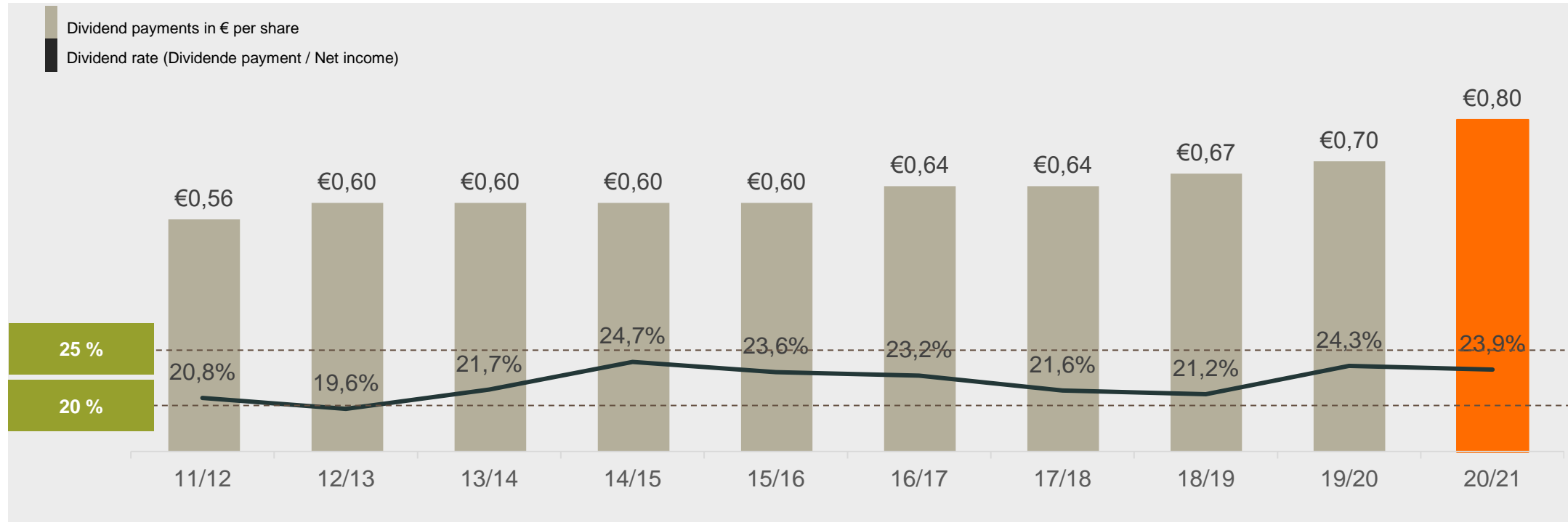
Development of variety approvals over last 20 years



Dividend proposal: Increase to 0.80 Euro per share



Dividend payments and dividend rate of the last 10 years



Dividend policy continued

Key figures for the KWS share, shareholdings and coverage



1 General Data

- ISIN
- Number of shares
- Type

DE0007074007
33.000.000
No-par value shares

2 Closing price (Xetra)*

- June 30, 2021
- June 30, 2020

in €
69.40
66.70

3 Daily trading volume (avg.)

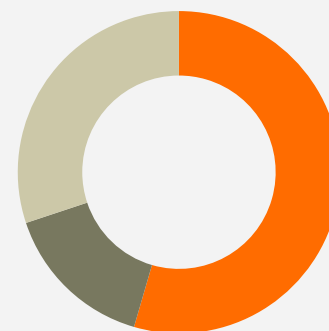
- 2020/2021
- 2019/2020

in shares/day
9,203
14,354

4 Market capitalization

- June 30, 2021
- June 30, 2020

in € million
2,290
2,201



FAMILIES
BÜCHTING,
AREND OETKER

54.4%

TESSNER
BETEILIGUNGS
GMBH

15.4%

FREE FLOAT

30.2%

DZ BANK
Die Initiativbank

Pareto
Securities

STIFEL

M.M. WARBURG & CO
BANK

ODDO BHF

**Kepler
Cheuvreux**

NORD/LB

Financial calendar and IR contact



November 18, 2021	Q1 Report 2021/2022
December 2, 2021	Annual General Meeting
February 14, 2022	H1 Report 2021/2022



Peter Vogt

Head of Investor Relations

Phone: +49 (0) 30 816914-490
E-Mail: peter.vogt@kws.com

KWS SAAT SE & Co. KGaA
Bülowstraße 78
10783 Berlin



Martin Heistermann

Senior Manager Investor Relations

Phone: +49 (0) 30 816914-341
E-Mail: martin.heistermann@kws.com

KWS SAAT SE & Co. KGaA
Bülowstraße 78
10783 Berlin

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